State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number: /

Filing at a Glance

Company: MVP Health Insurance Company

Product Name: VT LG HIC New Products 1Q/2Q 2015

State: VermontGMCB

TOI: H16G Group Health - Major Medical Sub-TOI: H16G.002A Large Group Only - PPO

Filing Type: GMCB Rate
Date Submitted: 08/14/2014

SERFF Tr Num: MVPH-129681821

SERFF Status: Assigned

State Tr Num: State Status: Co Tr Num:

Implementation 01/01/2015

Date Requested:

Author(s): Kristen Marsh, Matt Lombardo, Evan Steinhart, Eric Bachner

Reviewer(s): Thomas Crompton (primary), Kelly Macnee, David Dillon, Judith Henkin, Jacqueline Lee

Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile:
Project Number: Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments:

Explanation for Combination/Other: Market Type: Group

Submission Type: New Submission Group Market Size: Large Group Market Type: Employer Overall Rate Impact:

Filing Status Changed: 08/18/2014

State Status Changed: Deemer Date:

Created By: Matt Lombardo Submitted By: Matt Lombardo

Corresponding Filing Tracking Number:

PPACA: Non-Grandfathered Immed Mkt Reforms, Grandfathered Immed Mkt Reforms

PPACA Notes: null

Include Exchange Intentions: No

Filing Description:

The proposed manual rates values included within this filing are for employer groups with 51+ employees in the state of Vermont with coverage dates beginning between January 1, 2015 and June 30, 2015.

Company and Contact

Filing Contact Information

Matt Lombardo, mlombardo@mvphealthcare.com

625 State Street 518-388-2483 [Phone]

Schenectady, NY 12305

Filing Company Information

MVP Health Insurance Company CoCode: 11125 State of Domicile: New York 625 State Street Group Code: 1198 Company Type: Health

Schenectady, NY 12305 Group Name: Insurance

(518) 388-2469 ext. [Phone] FEIN Number: 14-1827918 State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: \$150.00

Retaliatory? No

Fee Explanation:

State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: SERFF

Rate Change Type: %

Overall Percentage of Last Rate Revision: %

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Premium for	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MVP Health Insurance Company	New Product	%	%				%	%

State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number: /

Rate Review Detail

COMPANY:

Company Name: MVP Health Insurance Company

HHS Issuer Id: 92802

PRODUCTS:

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered
Preferred Suite EPO	92802VT004	92802VT004000	
Preferred Suite HD EPO	92802VT006	92802VT006000	3962
Preferred Suite HD PPO	92802VT007	92802VT007000	376
Preferred Suite PPO	92802VT005	92802VT005000	245

Trend Factors:

FORMS:

New Policy Forms: Affected Forms:

Other Affected Forms: VT EPO COC, VT HDEPO COC

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 95,023
Benefit Change: Decrease

Percent Change Requested: Min: Max: Avg:

PRIOR RATE:

Total Earned Premium: 0.00
Total Incurred Claims: 0.00

Annual \$: Min: 0.00 Max: 0.00 Avg: 0.00

REQUESTED RATE:

Projected Earned Premium: 2,553.00
Projected Incurred Claims: 2,170.00

Annual \$: Min: 260.29 Max: 382.40 Avg: 333.71

State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number: /

Supporting Document Schedules

Actuarial Memorandum
1Q 2015 ACT MEMO-HIC Large Group New Products.pdf VT LG HIC New Product Q1 & Q2 2015 Rate Filing - L&E.pdf VT LG HIC New Product Q1 & Q2 2015 Rate Filing - L&E.xlsx
Actuarial Memorandum and Certifications
N/A
Civil Union Rating Requirements
MVP's forms comply with 8 V.S.A. § 4724.
Consumer Disclosure Form
N/A - proposed increase does not exceed threshold
Filing Compliance Certification
Certification of Compliance - VT.pdf
Third Party Filing Authorization
N/A

SERFF Tracking #:	MVPH-129681821	State Tracking #:		Company Tracking #:	
State:	VermontGMCB		Filing Company:	MVP Health Insurance Company	
TOI/Sub-TOI:	H16G Group Hea	lth - Major Medical/H16G.002A Larg	e Group Only - PPO		
Product Name:	VT LG HIC New F	Products 1Q/2Q 2015			
Project Name/Number:	/				
Item Status:					
Status Date:					
Bypassed - Item:	Ur	nified Rate Review Template			
Bypass Reason:	N/	A			
Attachment(s):					
Item Status:					

Status Date:

State: VermontGMCB Filing Company: MVP Health Insurance Company

TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.002A Large Group Only - PPO

Product Name: VT LG HIC New Products 1Q/2Q 2015

Project Name/Number:

Attachment VT LG HIC New Product Q1 & Q2 2015 Rate Filing - L&E.xlsx is not a PDF document and cannot be reproduced here.



ACTUARIAL MEMORANDUM

1st Quarter and 2nd Quarter 2015 Large Group AR42 Filing New Policy Forms with First Effective Date 1/1/15

Purpose

The purpose of this filing is to demonstrate the development of and seek approval of the manual pure premium rates for the new policy forms for MVP Health Insurance Company's Large Group benefit portfolio being filed for first effective date 1/1/15. Manual pure premium rates are included for both 1st Quarter and 2nd Quarter 2015 effective dates. The rates are effective for 12 months. These manual rates are used along with the Experience Rating Addendum and Experience Rating Formula to derive group specific premium rates. This rate filing has been prepared to satisfy the requirements of 8 V.S.A § 5104 and is not intended to be used for other purposes.

Derivation of Manual Rates

Large group EPO/PPO and HDHP incurred claim data for the period 1/1/2013 - 12/31/2013 completed through 5/31/2014 was the basis for this rate development. The proposed manual rates were derived using benefit factors relative to the pending 1Q and 2Q 2015 manual rates on file. The rate levels are aligned with all other 1Q and 2Q 2015 rates as the same data set and assumptions were used to derive the manual rates. Please refer to the pending Large Group AR42 Existing product filing for more detail surrounding the data and methodology that is being used to set these manual rates (SERFF ID MVPH-129676042).

Please see below for an illustrative example of the manual rate derivation, and also note that although plan VE021 is shown in the example, any of the existing coplans from SERFF ID MVPH-129676042 could have been chosen and resulted in the same manual rates.

Existing or New		Relativity to	Proposed 1Q 2014 Manual
Plan	Form Name	Plan VE021	Rate*
Existing	VE021	1.000	\$325.42
New	VE116L	0.932	\$303.42
New	VEHD-41L	0.999	\$325.04
New	VEHD-42L	0.947	\$308.32
New	VEHD-43L	0.864	\$281.02
New	VEHD-44L	0.733	\$238.43
New	VEHD-45L	0.964	\$313.77
New	VEHD-46L	0.909	\$295.67
New	VEHD-47L	0.817	\$265.97
New	VEHD-48L	0.680	\$221.25

^{*} For new plans, Proposed 1Q Manual Rate = VE021 Manual Rate * Benefit Factor Please see SERFF Filing: MVPH-129676042 for VE021 proposed manual rate

Exhibit 6c contains proposed rider rates that will be sold with these coplans. The proposed safe harbor rider manual rates were derived by inputting the proposed base coplan into MVP's benefit relativity model twice: once without the safe harbor benefit and once with the safe harbor benefit included. The same calculation was performed as in the table

above, and the difference between the manual rates with and without the safe harbor benefit was calculated to determine the cost of the safe harbor benefit.

To determine the cost of rider VEHD 312j, MVP interpolated the cost of this rider relative to two other vision riders available, VEHD 312g (\$5,000 deductible plans) and VEHD 312h (\$10,000 deductible plans). Please see the table below for the derivation of the 1Q '15 proposed manual rate for rider VEHD 312j.

		1Q '15 Proposed Manual	
	VEHD 312g Exam & Hardware, attaches to \$5000 INN Ded	\$0.93	
	VEHD 312h Exam & Hardware, attaches to \$10000 INN Ded	\$0.39	
(i)	PMPM Difference Between VEHD 312g and VEHD 312h	\$0.54	
(ii)	Deductible Difference	\$5,000	
(iii)	PMPM Increase for Every \$1,000 Decrease in Deductible	\$0.11	=(i) / (ii) * \$1,000
(iv)	Deductible Decrease from VPHD 312h to VEHD 312j (\$000s)	3.4	= [\$10,000 - \$6,600] / \$1,000
(v)	Incremental Increase in Rider Cost	\$0.37	= (iii) * (iv)
(vi)	VEHD 312h Proposed Manual (\$5,000 Ded)	\$0.39	_
(vii)	Proposed Manual for VEHD 312j	\$0.76	= (v) + (vi)

Benefit Relativity Derivation

MVP recently revamped its benefit pricing tool with updated claim utilization data, claim distribution tables and factor tables to reflect current expectations of benefit cost differences between benefit plans and between medical benefits versus pharmacy benefits. The proposed manual rates were derived using this tool; all benefit plans are valued based on a single risk pool of data with utilization adjustments only based on plan richness.

The basic steps of MVP's benefit relativity model are as follows:

- 1. Derive the plan pay and the member pay for a plan ignoring plan deductibles and OOPs.
- 2. Compute the cost of claims under the deductible and over the OOP using member based claim distribution tables and the member based single deductible/OOP for the plan
- 3. Adjust for impact of family caps on the single benefit or aggregate nature of family benefit. The effect of this adjustment is to reduce the deductible credits that are computed. The adjustment is based on a pricing study done to compare plan costs for member based benefits vs. member based benefits with a family cap vs. aggregate family benefits.
- 4. Adjust for impact of secondary Rx OOP max on qualified HDHPs.
- 5. Add back member cost share amounts assumed step #1 for the portions of the cost that are under the deductible and over the OOP.
- 6. The result of steps #1-5 is a final plan net paid amount.

Actuarial Certification

I, Matthew Lombardo, am a Member of the American Academy of Actuaries. I have examined the assumptions and methods used in determining MVP's requested rates. Based on my review and examination, it is my opinion that the proposed premium rates are reasonable in relation to the benefits provided and that they are not excessive, inadequate, nor unfairly discriminatory. This rate filing conforms to the applicable Standards of Practice as promulgated by the Actuarial Standards Board.

Date

08/14/2014 Matthew Lombardo, FSA, MAAA

Actuarial Manager, Commercial Pricing

MVP Health Insurance Co, Inc.



MVP Health Care -- Q1 & Q2 2015 LG HIC New Product Rate Filing

Large Group VT HIC New Product Rate Filing For Effective Dates Beginning Between January 1, 2015 - June 30, 2015

Exhibit 1 -- Summary of Medical Coplans Offered Exhibit 6a -- Medical Manual Rates Exhibit 6c -- Medical Riders

Exhibit 1 -- Summary of Medical Coplans Offered

Large Group VT HIC New Product Rate Filing For Effective Dates Beginning Between January 1, 2015 - June 30, 2015

		•	In-Network Benefits								Out-of-Network Benefits				
Canlan	Draduot Tuno	PCP	SCP	IP (Mod/Sura)	ER	OP Surg	DME	Amb	Dod	Coins.	OOP Max	Coins	Ded	OOP Max	Pharmacy
Coplan	Product Type			(Med/Surg)					Ded						
VE116L	HyEPO	\$30	\$50	0%	\$200	0%	50%	0%	\$5,000	0%	\$5,300	N/A	N/A	N/A	Riders Available
VEHD-41L	HDEPO	0%	0%	0%	0%	0%	0%	0%	\$2,500	0%	\$2,500	N/A	N/A	N/A	\$0 after Deductible
VEHD-42L	HDEPO	0%	0%	0%	0%	0%	0%	0%	\$3,000	0%	\$3,000	N/A	N/A	N/A	\$0 after Deductible
VEHD-43L	HDEPO	0%	0%	0%	0%	0%	0%	0%	\$4,000	0%	\$4,000	N/A	N/A	N/A	\$0 after Deductible
VEHD-44L	HDEPO	0%	0%	0%	0%	0%	0%	0%	\$6,600	0%	\$6,600	N/A	N/A	N/A	\$0 after Deductible
VEHD-45L	HDEPOagg	0%	0%	0%	0%	0%	0%	0%	\$2,500	0%	\$2,500	N/A	N/A	N/A	\$0 after Deductible
VEHD-46L	HDEPOagg	0%	0%	0%	0%	0%	0%	0%	\$3,000	0%	\$3,000	N/A	N/A	N/A	\$0 after Deductible
VEHD-47L	HDEPOagg	0%	0%	0%	0%	0%	0%	0%	\$4,000	0%	\$4,000	N/A	N/A	N/A	\$0 after Deductible
VEHD-48L	HDEPOagg	0%	0%	0%	0%	0%	0%	0%	\$6,600	0%	\$6,600	N/A	N/A	N/A	\$0 after Deductible

Exhibit 6a -- Medical Manual Rates (Q1 2015)

Large Group VT HIC New Product Rate Filing For Effective Dates Beginning Between January 1, 2015 - March 31, 2015

		Coplan Net Required
Coplan	Product Type	Revenue PMPM
VE116L	HyEPO	\$303.42
VEHD-41L	HDEPO	\$325.04
VEHD-42L	HDEPO	\$308.32
VEHD-43L	HDEPO	\$281.02
VEHD-44L	HDEPO	\$238.43
VEHD-45L	HDEPOagg	\$313.77
VEHD-46L	HDEPOagg	\$295.67
VEHD-47L	HDEPOagg	\$265.97
VEHD-48L	HDEPOagg	\$221.25

Exhibit 6a -- Medical Manual Rates (Q2 2015)

Large Group VT HIC New Product Rate Filing For Effective Dates Beginning Between April 1, 2015 - June 30, 2015

Coplan	Product Type	Coplan Net Required Revenue PMPM	Quarterly Change
VE116L	HyEPO	\$307.97	1.5%
VEHD-41L	HDEPO	\$329.91	1.5%
VEHD-42L	HDEPO	\$312.94	1.5%
VEHD-43L	HDEPO	\$285.24	1.5%
VEHD-44L	HDEPO	\$242.01	1.5%
VEHD-45L	HDEPOagg	\$318.47	1.5%
VEHD-46L	HDEPOagg	\$300.10	1.5%
VEHD-47L	HDEPOagg	\$269.96	1.5%
VEHD-48L	HDEPOagg	\$224.57	1.5%

Exhibit 6c -- Medical Riders (Q1 2015)

Large Group VT HIC AR42 Rate Filing For Effective Dates Beginning Between January 1, 2015 - March 31, 2015

		Product	Net Required Revenue
Rider	Description	Type	PMPM
VEHD 312j	Exam & Hardware, attaches to \$6600 INN Ded	HDEPO	\$0.76
VHD510-aa	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-41)	HDHP	\$4.83
VHD510-ab	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-42)	HDHP	\$6.54
VHD510-ac	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-43)	HDHP	\$9.29
VHD510-ad	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-44)	HDHP	\$15.06
VHD510-ae	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-45)	HDHP	\$6.32
VHD510-af	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-46)	HDHP	\$6.99
VHD510-ag	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-47)	HDHP	\$9.97
VHD510-ah	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-48)	HDHP	\$14.10

Exhibit 6c -- Medical Riders (Q2 2015)

Large Group VT HIC AR42 Rate Filing For Effective Dates Beginning Between April 1, 2015 - June 30, 2015

		Product	Net Required Revenue	Quarterly
Rider	Description	Type	PMPM	Change
VEHD 312j	Exam & Hardware, attaches to \$6600 INN Ded	HDEPO	\$0.77	1.5%
VHD510-aa	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-41)	HDHP	\$4.90	1.5%
VHD510-ab	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-42)	HDHP	\$6.64	1.5%
VHD510-ac	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-43)	HDHP	\$9.43	1.5%
VHD510-ad	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-44)	HDHP	\$15.29	1.5%
VHD510-ae	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-45)	HDHP	\$6.41	1.5%
VHD510-af	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-46)	HDHP	\$7.10	1.5%
VHD510-ag	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-47)	HDHP	\$10.11	1.5%
VHD510-ah	Safe Harbor preventative Rx list for qualified HDHP's (VEHD-48)	HDHP	\$14.31	1.5%

Certification of Compliance

I hereby certify that I have reviewed the applicable filing requirements for this filing and the filing complies with all applicable statutory and regulatory provisions for the state of Vermont.

Print Name: Karla Austen Title: Executive Vice President & Interim CFO

Signature: Market Date: 08/14/14